

# General FAQs

## What is Unclaimed Property?

All property unclaimed by its owner for a specific period of time, called a dormancy period. Unclaimed intangible property may include: dormant savings and checking accounts, unclaimed wages, dividends, credit balances and any type of outstanding check. Tangible property may include contents of safe deposit boxes or items left in safe keeping (for a more detailed list, see [pages 4 & 5](#)).

## Why does Maine have an Unclaimed Property Law?

- To protect the property rights of the owner and to reunite the owner with the property.
- To relieve the holders of the expense and liability of carrying the property.
- To provide a centralized search location for citizens.

## What attempts are made by the State to find the rightful owner?

Once the property has been reported to the state, the State Treasurer searches for the owner by publishing names of owners with \$250 or more, stock or safe keeping. The State Treasurer uses other outreach opportunities including the Internet, and information booths at fairs and malls. State legislators are an important part of owner outreach. The State Treasurer serves as the custodian until the property is claimed.

## Do I need to file my report electronically?

If you have more than 10 items to report, you must file electronically or request an exemption. See [page 7](#).

## Who is a Holder?

All business entities that possess or have custody of unclaimed property.

## What happens if a holder does NOT report unclaimed property?

A holder who fails to report, pay or deliver property within the time prescribed by law may be assessed 18% interest from the date the property should have been reported. In addition, the state may impose penalties of \$200 – \$1,000 per day.

## Is there a minimum amount?

No. Businesses must report all unclaimed property, no matter how small. The State Treasurer safeguards the property forever.

## Do I need to include the detail (names, addresses, social security numbers and amounts) for aggregate items?

If you have the detail, please include a copy with your report.

## What if my business sold gift certificates or gift cards that have not been redeemed?

Gift certificates/obligations and stored value cards are reportable by May 1<sup>st</sup> of the third calendar year after, but not including, the year in which they were sold. For example, cards sold during 2006 are reportable by May 1<sup>st</sup> of 2009. The amount unclaimed is 60% of the face value IF the issuer does not impose a dormancy charge. The amount unclaimed is 100% of the face value if the issuer does impose a dormancy charge. No dormancy fees or inactivity charges are allowed for gift certificates/obligations or stored value cards sold after September 21, 2005.

## When should I report money orders?

Money orders issued by a bank are presumed unclaimed if they remain uncashed 3 years after date of issue. All other money orders are presumed unclaimed after 7 years.

## What is activity?

An owner-generated transaction on or communication about an account or the negotiation of a check or other instrument by the payee.

## Are negative reports required?

If your company is incorporated or physically located in Maine a report is required unless you have filed 3 consecutive negative reports and still have nothing to report.

# Glossary of Terms

**Abandoned/Unclaimed Property** - Tangible or intangible property that is unclaimed by its rightful owner after a significant period of time, (see pages 4-5 for details). This does not include real estate, animals and vehicles.

**Abandonment Period** - See Dormancy Period.

**Activity** - An action taken on property by the owner, which may include making a deposit or withdrawal, writing a memorandum to the holder, or taking any action that according to the law is adequate to determine that the owner is aware of the property.

**Affidavit** - A written declaration made under oath before a notary public or other authorized officer of the court.

**Aggregate** - A group of multiple individual owner accounts reported in one lump sum total.

**Demutualization** - A reorganization, in which a mutual insurance company becomes a stock company. This is accomplished through the payment of stock or cash to policyholders upon the discontinuation of the mutual company. Demutualization has no impact on the actual insurance policy. {[www.claims-info.com](http://www.claims-info.com)}

**Date of Last Activity** - The most recent date that the owner and the holder of the property made "active" contact with each other. This is also known as the "date of last activity." Examples of activity dates include the issue date of a check and a customer's date of deposit into a checking account.

**Dormancy Period** - The period of time, also referred to as the abandonment period, during which an owner of property does not take action on his property. (See Activity.) The dormancy period is determined by the type of property and may vary from 1 to 15 years. (For a complete list, see pages 4-5.)

**Due Diligence** - The reasonable and meaningful degree of effort required by law of an unclaimed property holder to find the rightful owner before the property is sent to the state. Usually this is in the form of an Owner Notification Letter.

**Escheat** - When the title to property is transferred to the state, making the state the legal owner. The State of Maine acts as the custodian of reported property and does not take title by escheat.

**Gift Card** - Please see Gift Obligation.

**Gift Certificate** - Please see Gift Obligation.

**Gift Obligation** - An obligation of a business association arising from a transaction between the business association and a consumer to provide goods or services at a future date. This includes, but is not limited to, a gift certificate, gift card, on-line gift account or other representation or evidence of the obligation.

**Holder** - The entity or person who controls the unclaimed property until it is transferred to the owner or the state on behalf of the owner.

**Indemnification** - An agreement that protects a party from loss by transferring the responsibilities to a third party. The state of Maine indemnifies the holder, protecting the holder from liability, and assumes the responsibility to return the property to the owner.

**Indemnity Bond** - An insurance policy that protects the state from future claims against property once paid to a claimant.

**Intangible Property** - Property that cannot be held in your hand, something that is abstract, or represented by a symbol. For example, an ownership interest in a company is represented by a stock certificate; a bank balance is represented by a passbook or a statement.

**NAUPA** - National Association of Unclaimed Property Administrators, an organization of state representatives who have responsibility for overseeing state unclaimed property programs. {[www.unclaimed.org](http://www.unclaimed.org)}

**Owner** - A person having legal or equitable claim to the unclaimed property.

**Person** - Any individual, business association, governmental subdivision or agency, public corporation or authority, estate, trust, two or more persons having a joint or common interest, or any other legal or commercial entity.

**Prefunded Bank Card** - A device issued by a financial organization that enables the cardholder to transfer the underlying funds to multiple merchants at the merchants' point of sale terminals. The term "multiple merchants" means all merchants of goods or services, not just those associated with the issuer or a particular business or group of businesses, that accept electronic transactions.

**Stored Value Card** - A card that provides a way to make financial transactions by using a magnetic stripe technology to store information about funds that have been prepaid on it. This does not include prefunded bank cards.

**Tangible Property** - Personal property that is physical in nature. A diamond ring and a silver coin are examples.